

**Achievement of Market-Friendly Initiatives and Results Program
(AMIR 2.0 Program)**

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**Assess and Strengthen the Jordan Tourism Board's Institutional Framework,
Management Capacity and Operations:
Developing and presenting the proposals for a Revised Organizational Structure for
JTB**

Final Report

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Executive Summary

Tourism is one of the most important economic drivers in Jordan. Only second to worker remittances, the industry is the most important generator of foreign exchange. In recognition of the importance of this industry, Jordan has embarked on developing a national tourism industry development strategy led by the Jordan Tourism Board, headed by His Excellency Taleb Rifa'i, Minister of Tourism & Antiquities, and key leaders from the private sector. This strategy is designed to achieve consistent growth and yield measurable and diffused economic and social benefits.

The Consultant has been asked to examine and assess the present structure of the Jordan Tourism Board (JTB) and to propose a structure that would be appropriate to the new strategy and the effective marketing of Jordan as envisaged by it. A review of the current JTB organizational structure has been accomplished through discussions with JTB management and review of current structure and the EU-proposed organizational chart. While it is essential to review the two important issues of institutional framework of the JTB (its relationship to the major stakeholders) as well as governance (roles and responsibilities of the board vs. staff), such require additional attention in an assignment in addition to this one. It is noteworthy, however, that the makeup of the JTB board of directors is comprised of key industry stakeholders, and is based on the premise that a public-private partnership is essential to the success of the tourism industry. Strengthening such a partnership and enhancing its effectiveness will yield profoundly positive results in terms of JTB's performance and Jordan's overall growth of the tourism industry.

Review of JTB's organizational structure is crucial at this stage that Jordan (through the Ministry of Tourism & Antiquities, JTB and industry stakeholders) has embarked on developing the new national strategy. While setting ambitious goals in a progressive strategy will yield important results to Jordan's economic development (if realized according to plan), such goals can only be achieved by an effective partnership between all stakeholders and an effective JTB. Therefore, demand on the JTB will necessarily rise to first, improve its effectiveness in undertaking Jordan's promotion in existing markets; and, second, build its internal capacity to effectively meet the demands of a new and comprehensive national tourism strategy. A substantial infusion of skills and technologies, to support such skills is essential for the JTB to be equipped with the tools that form pre-requisites to achieving ambitious goals of tourism development, or even sustaining current levels of growth in an increasingly competitive and uncertain global marketplace.

... demand on the JTB will necessarily rise to effectively meet the demands of a new and comprehensive national tourism strategy.

Tourist Boards are currently in transition between retro models on which the JTB is based, and models for the 21st Century, which will be fundamentally different. It seems pointless to the Consultant to propose anything other than a structure that can progress to a 21st Century model. This will ensure a synergetic fit with the strategy and a major upgrade in effectiveness of expenditure and marketing impact. It is likely to require a focus on capacity building and upskilling for existing staff, as well as a mentoring programme at management, marketing and technical levels. Substantial investment in infrastructure will also be required in order to operate effectively in an increasingly global and technologically based marketplace. In addition to all of the above, the strategic assessment identifies the “fear factor” as the dominant barrier to a return to growth. This would indicate an immediate requirement to boost publicity and communication to ensure upgraded media contact and more effective public relations. As the latter is likely to remain as a persistent demand on JTB's overall communication effort, JTB's capacity in undertaking effective public relations campaigns needs to be strengthened.

The structure proposed for the JTB as a result of the study, is shown on Page 20 in chart form and for ease of comparison, the structure accepted following negotiations on the following page. As the principal elements of the structuring reasoning are retained with some amendments for local conditions and emphasis.

The final structure was presented to HE, Mr. Taleb Al Rifa'i, Minister for Tourism and Antiquities, and the Board of the JTB on Saturday the 28th September 2002.

It will be listed for discussion and agreement at a future meeting.

Its adoption will facilitate the convergence of a number of key initiatives under the AMIR 2 BMI Component, including the National Strategy that are designed to transform the capabilities of the JTB and growth in the tourism economy of Jordan.

Jordan Tourism Board (JTB) –Current Mandate

The Jordan Tourism Board was established as an independent agency of the Ministry of Tourism in March 1998 as a “A Public/Private Sector Partnership committed to utilize marketing strategies to brand, position and promote Jordan as a destination of choice.”

Since inception, JTB was solely envisaged and mandated as a marketing and promotional body for Jordanian Tourism. While this is a limited and focused mandate, it is legitimate and not unusual. It is the normal format to prioritise and focus marketing in the mandate of NTAs. While issues of product development, investment and quality assurance may be functionally located elsewhere. The current best practice forges partnerships with these bodies, so that all remain plugged in and informed of each others plans, and use their powers of advocacy and persuasion, within the partnership to ensure a co-ordinated approach and to address cross cutting issues. This process is not well developed in Jordan, and is further complicated beyond the normal, with proposals for separate promotional/marketing roles for medical visitors and educational students.

JTB Institutional Framework

The JTB operates within a framework, where it is responsible for the marketing of Jordan's tourism, and particularly the international marketing. It is not, however, responsible for closely linked areas, such as physical planning for tourism, product development, investment, tourism services, regulatory and quality control. Some issues have also been raised about the marketing of medical and educational tourism being separately mandated to other bodies. The strategy proposal is opposed to this as the disaggregation of tourism marketing functions creates weakness, diffusion of resources and duplication. The JTB must also develop institutional relationships with the Ministry for Finance and other Ministries, which impact on tourism in many areas (e.g. education), as well as state institutions, like the Central Bank, Department of Statistics etc.

Institutional Relationships

The institutional framework may be considered under five headings:-

1. Those bodies, with which the JTB has reporting or legally based relations.

- Ministry for Tourism and Antiquities
- Ministry of Finance

2. Those bodies, who impact on the planning, process and implementation of product development, investment and physical planning.

- Ministry of National Economy
- Minister of Planning
- Minister of Municipal and Rural Affairs and Environment
- Ministry of Transportation
- Ministry of Water & Irrigation - Jordan Valley Authority
- Ministry of Interior

3 Those bodies involved in servicing the visitor during their stay: -

- Ministry of Information
- Department of Antiquities
- Signposting Authority
- Airport and Port based Services

4 Those bodies involved with licensing, regulatory control and quality control, including the environment.

- Ministry of Tourism and Antiquities
- Ministry of Health
- Ministry of Transportation
- Minister of Municipal and Rural Affairs and Environment
- Minister for Labour

5 Those bodies which may be in a position to contribute to marketing.

- Ministry of Foreign Affairs
- Royal Jordanian Airlines
- Aqaba Special Economic Zone Authority
- Industry Associations (Jordan Hotel Association, Incoming Tour Operators Association, etc)

In all of these areas the JTB requires a practical working relationship to ensure the greater success of its marketing mandate. The JTB can organise its work capacity in a number of different ways. The best practice methodology for creating and managing work within the institutional framework is through partnership. This infers that interested parties, who share a common objective, can best achieve it by working together and using all their diverse resources effectively.

Partnership in the JTB Context

It is a priority objective of all organisations to deploy their resources and powers as effectively as possible to achieve their mission and objective. At its core, partnership is about adding value and synergy through leverage:

- Leveraging the influence that the JTB is going to require, to facilitate and support tourism.
- Creating policy networks, where JTB can provide information and use its influence to bring into consideration the current and future needs of the tourism sector.

While the JTB board is comprised of hotel owners, tour operators, air and land transportation, as well as the Ministry, the tourism partnership may be widened to include other stakeholders. Accordingly, the partnership may transcend the JTB board and the JTB itself, and bring together many other bodies that stand to benefit from a thriving tourism sector.

Principles Governing Effective Partnership:

- Open and transparent, with totally honest exchanges.
- Partnership should define its objectives early on and re-define as necessary
- Partner members should undertake the tasks they are best equipped to do.
- Representatives dealing within the partnership should have decision-making status at the relevant level.
- Negotiations and discussions should continue until agreement is reached through consensus (This can be slow at the beginning, but accelerates once trust and confidence are established).
- Dominance should be avoided and meeting arrangements should reflect this (rotating chairs & venues, etc).
- The partnership should continue to be vibrant, until its objectives/outcomes are achieved.
- There should be a protocol regarding meetings, record of decisions, chairmanship and cost sharing.

The Overarching Partnership Ideal – JTB and RJ as the exponents

This partnership ideal would be reflected in the way the JTB proposes to organise its overall relationships with its stakeholders. It implies that in planning the achievement of its mission, it proposes an inclusive approach, which recognises stakeholders as partners, and its intention of seeking their support to synergise the overall effectiveness of its mission. Partners, likewise, must include the input of the JTB into their own planning and strategy development.

While it is essential for true partnership to include all key stakeholders, two primary entities emerge as the exponents of this partnership: the Jordan Tourism Board and Royal Jordanian Airlines. Effective JTB and RJ partnership and a co-ordinated approach to the promotion of Jordan will lead to leaps in positive results realised.

Management and Operational Assessment Of Jordan Tourism Board (JTB)

The establishment (in 1998) of the JTB as a separate agency of Government (NTA), with independent control over its budget and affairs, has not been smooth or easy. Recently, the JTB has resisted intrusion into its financial affairs by the Ministry of Finance (MOF). The organisation lacks many of the essentials for designing and implementing effective marketing, which is its central mandate. Reform and external support are required in virtually every area, so as to provide a basis for confidence by Government and Industry for enhanced funding and success in its mission.

At the most basic level, the organisation does not possess the essential foundation building blocks: -

Visible JTB Weaknesses

1. Sufficient skilled staff with the experience and capacity to manage and innovate.
2. Sufficient resources and the freedom to manage resources independently.
3. Market research to provide a scientific basis for market prioritisation, as well as the ability to target markets and identify high yield segments.
4. Visitor research to provide profiles of visitors, product satisfaction information, and information on expenditures.
5. Competitive information as to Jordan's position in its competitive set and region.
6. There is no evidence of any data base information, or management information system, designed to contribute to operational management, or to provide information for decision-making to Government and the Industry.
7. While there is an international network achieved through representation and only one JTB Office (Washington), the web excellence required to underpin this operational positioning, and to replace this concept in the future is not available.
8. It is unclear in the present JTB structure how, and how effective, support, management and monitoring and evaluation of the representational offices are conducted.
9. Some areas of activity are in the experience of the Consultant both low-yield, low priority and expensive (such as major events, some fair participation).
10. An effective overall marketing and communication plan is non-existent.

Recommendations To Achieve Enhanced Management and Operational Performance

Organizational structures do not simply emerge without carefully examining the strategy of the entity under consideration. In the case of the JTB, however, there appears that

substantial need exists to develop its own 3-5 year strategy and business plan. What currently exists is an annual marketing plan that, while useful in providing some information, does not replace the essential need for a strategy and the associated work plan. Therefore, this will consider the mission of the JTB as a starting point to its strategy and as giving guidance to the general direction of the organization.

The mission of the Jordan Tourism Board is:

“A Public/Private Sector Partnership committed to utilize marketing strategies to brand, position and promote Jordan as a destination of choice.”

While the above mission captures the spirit of partnership to identify the JTB, it is essentially a description of JTB activities as opposed to its mission. It is important to develop a new mission statement for the JTB that would identify the ultimate goal it works to achieve. The mission statement should address the overall reason behind the existence of the organization and the goal to which it will be held accountable, and whose realisation is within the sphere of the organizations influence and mandate.

Objectives, on the other hand, identify specific 4-6 major states of affairs that the JTB would work to create, that collectively would lead to reaching its mission. To illustrate, possible objectives for the JTB may include:

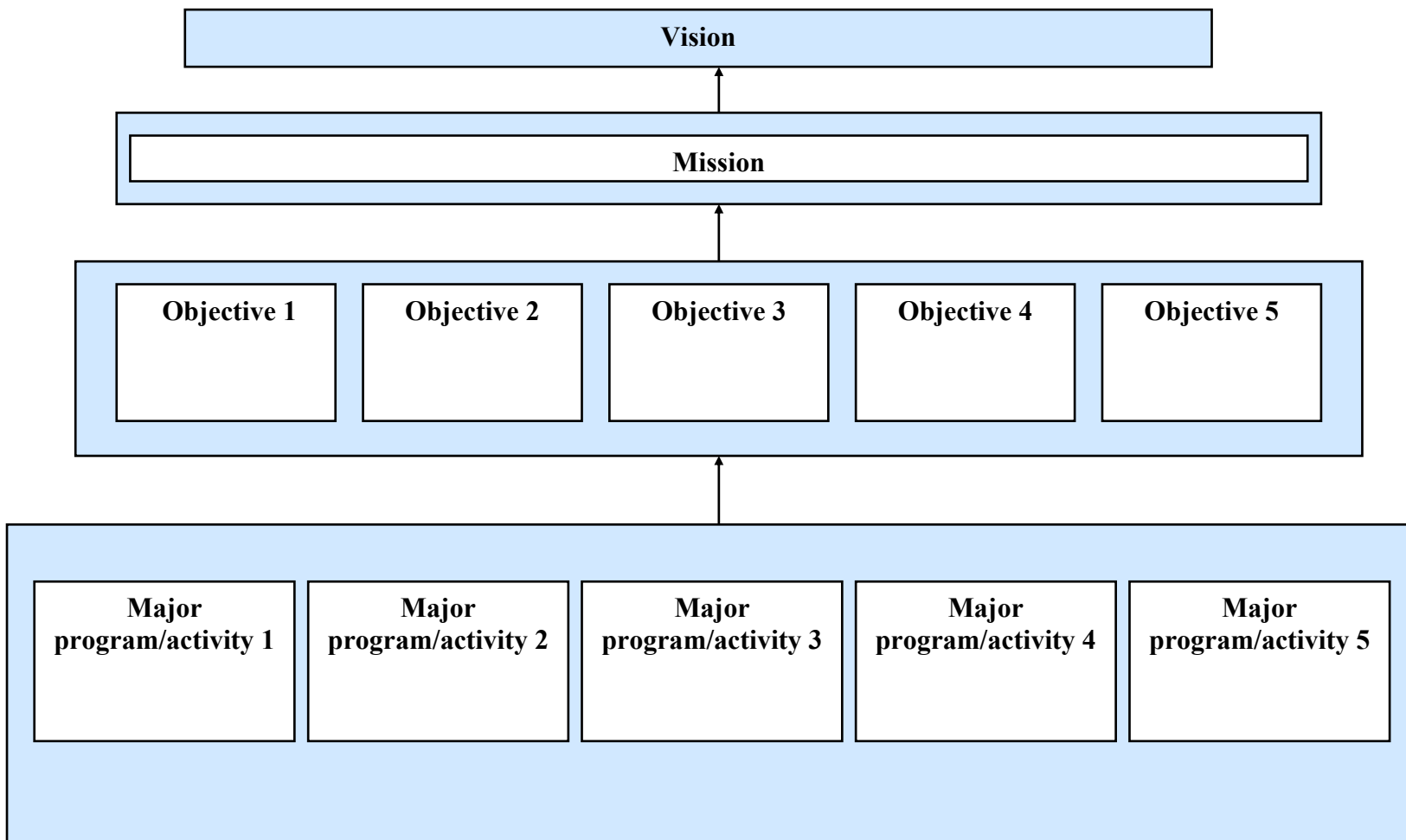
- Jordan's image in the marketplace enhanced
- Jordan's position as an attractive destination for the tourism trade is achieved
- Other objectives

Accordingly, the foremost recommendation is to develop a strategy and work plan for the JTB that sets its goals, objectives, strategies, activities and resultant resource needs for the upcoming 3-5 years. Such a strategy and work plan will achieve the following:

- Develop the basic planning requirements for any organization of any size
- Develop an integrated work plan based on a coherent strategy for the medium term
- Identify basic resource needs, including budgets, for at least 3 years. This will strengthen JTB's position when negotiating with Government its annual budget allocation, as it will provide Government and key stakeholders, with a longer-term view of its needs, as well as the confidence resulting from a well-planned strategy.
- Provide JTB leadership, management and staff with a program of work that is clear with responsibilities distributed. The presence of such a plan will lead to clearer delineation of roles and responsibilities between management and board. It will also form the basis of completing job descriptions, assigning responsibilities among executive staff and establishing performance indicators and evaluation criteria.

A possible strategy development framework follows on the next page.

Strategy Development Framework



Current JTB Structure

An organisational chart reflecting JTB's current structure was requested from JTB. Instead of being provided with what is currently in place, a new, proposed structure by EU Consultants was given. Consultants from the European Union conducted an assessment of JTB's operation and accordingly developed an organisational structure comprised of two main departments: Marketing Department and Corporate Services Department. The main components under the marketing department include the following: representation/oversees offices, domestic tourism, membership and sponsorship, as well as events. As for the Corporate Services Department, it includes information, information technology, finance and administration, as well as administrative support. The structure was finalised recently and is not yet in place.

In practice, however, the current organizational structure of the JTB de-emphasizes specialization, neglects presence of foreign-market dedicated support mechanisms and staff, and lacks the depth and breadth required in national tourist boards. According to JTB leadership, staff hiring did not follow best practice, little professional staff development programs exist and the diversity of skills and hands-on knowledge necessary are absent.

As a result of existing JTB organizational structure, lack of breadth and depth of departments and staff, as well as the limited range of tourism destination marketing capacity, it is doubtful that the JTB will be able to undertake the nature and scope of a global campaign necessary to return Jordan to growth. It will also be much more difficult to sustain such growth at a goal of 10%-12.5% of an ever increasing Gross Domestic Product (GDP). Short of a sudden and massive infusion in budget, as well as several highly qualified staff that already possess the specialized skills necessary for the massive undertaking of positioning Jordan as the destination of choice to yield the economic and social results desired, the ideal short-term solution is the "Surrogate Tourist Board" approach. This in effect inserts a team of 4 to 5 highly specialized individuals, with world-class skills into the JTB, so that the work capacity enhancement is immediate and skill transfer takes place in the work area "on the job." As such, skills are most likely to be found by hiring expatriates. Knowledge transfer to permanent JTB staff will be as crucial as their work in executing the strategy and associated campaigns. Obviously, JTB needs to also complete its staffing, based on the proposed organizational structure, in order to ensure that knowledge transfer occurs. This model avoids interruption to operations, enables a quick start and an immediate uplift in JTB's capacity, while change is taking place. Therefore, for this to be accomplished, it is essential that the consultants/experts join the JTB team and work on site with counterparts.

The Surrogate Tourist Board approach will undoubtedly have profound implications on JTB's staffing budget. However, the results on the tourism economy of such world-class skilled individuals will more than compensate for this necessary investment. In addition, such skilled individuals will expectedly result in a reduction in several JTB budget line items, by transferring strategies and tactics in cost reduction and more effective tourist board operations.

Description of the Recommended Draft Structure for JTB

The basic structure is reflected in three departments. One of the principal purposes of this is to create larger teams of staff, and to reduce cross-functional splits, which are more difficult to manage.

The optimum organisational and integrated approach is to proceed on the basis that JTB will continue to be focused on marketing and promotion, and that this responsibility should be unified and comprehensive to include medical and educational tourism. As both medical and educational tourism are already substantive areas requiring specialised and differing approaches, this allocation of responsibility must be matched at JTB by the creation of a product marketing unit, which includes the correct level of experience and resources, to reflect the requirements and potential of these and other product markets. This approach is recommended in the structure.

Key to the effective development and management of JTB's organizational structure is the clear recognition and crisp delineation between the two principles of doing work and managing work. In certain operational areas, JTB must develop internal capacity to perform work, which is primarily in executing its core function: promotion. In other areas, such as decision support services (research, surveys, etc), the principle of managing work is emphasized where JTB needs to only develop the capacity to identify work and commission specialists to perform it.

The draft structure prioritises marketing as the core function and core competency of the JTB. Accordingly, the product marketing function, for example, will involve a lot of "doing work," whereas the market research function has been designed to manage work by consultants and sub-contractors, as this is the most effective model. In addition, the proposed draft structure creates two marketing groupings. This assigns to each grouping the necessary input of senior management time, without diluting the Managing Director's high-yield involvement in strategy development and directing the overall marketing programme.

At this stage, it is too early to include specific HR numbers to the proposed chart.

Marketing Department

This area includes the "front line" marketing activities of JTB in the international and domestic markets, as well as market research and the anchoring of the marketing planning function.

- **International Markets (Non Arabic)**

All of these foreign markets have to be regarded as developing independent markets. Resource restrictions will be the primary factor in prioritising selected countries.

The main concentration will be on urban areas, so as to focus available resources.

Priority 1:Europe (selected countries and cities)

Priority 2:USA (selected cities)

Priority 3:ASIA (selected countries & cities)

The USA already has a permanent JTB office in Washington, and this should continue, due to the great development potential of this market and the promotion methodologies that are appropriate for it. Other countries deploy representation services. This is also the current best practice of the Jordan Tourism Board. As the transitional phase develops, the capacity of electronic consumer and trade marketing will replace much of the current representation work.

The future positioning of JTB marketing competencies is likely to be divided into three areas:

- 1) Tour Operator network backed up by a trade website
- 2) A direct consumer facility through web marketing
- 3) Product/Niche marketing activity

The role of **permanent market based offices** has already declined below effective ROI criteria. The role of most **permanent market based staff** is in transition towards representational or part time, augmented by annual task force activity, with HQ and trade participation. The current representational role of JTB representative offices overseas is often split into two contracts, one for publicity and public relations and another for tour operator/trade activities.

- **Arabic Markets and Domestic Market**

These are combined to take advantage of the synergies that exist and the language and cultural linkage. The domestic market should not be neglected, as it can often provide the basis for the development of international tourism in new areas and products. It also provides a safety net, yielding a steady stream of revenue to lessen shocks to the industry. The references to market offices and market representatives equally apply. The strategy recommends more direct marketing methods aimed at the consumer in these neighbouring rubber tyre and close markets. Therefore, there is more scope for different agency arrangements and different methodologies in “close markets.”

- **Product Marketing and Marketing Operations**

This places an up-rated emphasis on this important area. The strategy

recommends that the role of tourism marketing not be diminished and the focus not be dissipated. Thus, structures and resources must not be weakened by a fractured approach with separately organised marketing activities for educational and health tourism (see also references in strategy document). Accordingly, these should be provided for within the JTB structure. MICE and other niches will also need particularly specialized approaches to suit the requirements of these markets. Marketing operations includes attendance at selected fairs and promotions that deal with trade, consumer or specialist marketing. Prioritisation, however, of participation in these events (and thus incurring expensive costs) is essential and must result from JTB's main marketing objectives and the true marketing value of these events.

- **Market Research and Planning**

Market research as a support to market planning is a fundamental weakness in the present JTB and must be corrected. The best practice would position within JTB the capacity to plan, manage and assess market and visitor research. The actual research, surveys etc., should be carried out under contract by a professional firm. While marketing planning is always a team effort, it is anchored in this area, so that it has seamless access to the research pool of information and feedback from the markets.

Marketing Support Department

The Marketing Support Department provides the necessary support services to front line marketing functions. It groups together three areas where there is a heavy dependence on information and its communication, together with activities, which bridge and co-ordinate trade involvement in the entire marketing programme.

- **Publicity and Communication**

This area combines the skills of dealing with media and communicating with the diverse stakeholders at home and abroad. The priority function is to ensure media publicity to back up the marketing programme and build the image of Jordan as a holiday destination. Another function is to act as an advocate and to communicate the importance of tourism to Government, the public and the industry, and to deal with the corporate requirements of JTB. Therefore, the two primary objectives of this component are:

- Supporting the advertising campaign and sales activities by enhancing industry image among the trade and consumers.
- Mobilization of support to industry from policymakers and the public.

Moreover, in order to “control” and ensure the consistent use of Brand Jordan as the JTB wishes it be portrayed, an image bank should be brought into existence as a JTB/Private Sector project. This would include photo library, motion and still images, logos, designs, etc. Image photography is an important aid in differentiating Jordan, and this requires an artistic/creative brief, linked to the publicity/communication function.

- **Visitor Servicing**

The servicing of the visitor prior to and during a visit is an important “after sales” service contributing to marketing. It includes researching information, managing information databases, production of literature and tourist offices or information points. The new literature produced by JTB i.e. Eco Jordan is of a high standard. The literature itself should be charged for at least within Jordan. Consideration should be given to outsourcing literature wherever possible to the Private Sector. Such an arrangement would carry a specification from JTB, and would continue to be published under the JTB brand/endorsement. It includes direct responsibilities, together with working with others, such as heritage attractions and signposting authorities to ensure visitor needs are met throughout their visit.

- **Electronic Marketing**

Electronic marketing of tourism is now in the third/fourth generation of development. A certain amount of overselling or selling in advance of functionality development has occurred. This has often led to disappointment at the return on investment in

earlier systems.

While technology has been a critical support to tourism marketing, direct sales have been low, but are now growing. Problems with security of payment booking services, functionality, have largely been overcome, and are now more customer-friendly and useable. Electronic Marketing is of considerable importance and will be vital for the future that NTAs ensure excellent country systems, with both consumer and trade elements. It is not necessary for the NTA to provide and fully fund the system, but it is their responsibility to ensure that it is provided, and that it works to meet their objectives. This will require financial investment and operational support. NTAs can take the lead and must include their industry. This is seen by some NTAs as an important service and a future source of revenue from trade participation and advertising.

In other cases the web marketing has been effected through a partnership arrangement with private sector interests. A "total capture" system is the most customer-friendly, as it provides for relatively seamless networking of access transport, information and booking services. The airlines and transport companies, who have led the way have tended to favour their own stand alone systems, the most advanced of which now deal with sales, payment and ticketing and in future check in.

Given Jordan's current organisation and proposed strategy, the web provides the cheapest most effective way of reaching global markets, with its product information and providing back up to the tour operator distribution system.

- **Trade Support**

This area includes the capture of trade marketing inputs, bridging the trade into marketing activities and trade to trade selling (B2B). It also includes the planning and handling of trade educationals and familiarisation visits to Jordan. Trade workshop activity is one, which should be prioritised in the context of the implementation of the strategy.

Corporate Services Department

Includes all the services, which are necessary to support the effectiveness and management of JTB as corporate entity (agency).

- **Finance and Administration**

Finance includes: -

- 1) Budgetary Preparation and Negotiation
- 2) Finance
- 3) Accounts
- 4) Legal Agreements (leases etc)

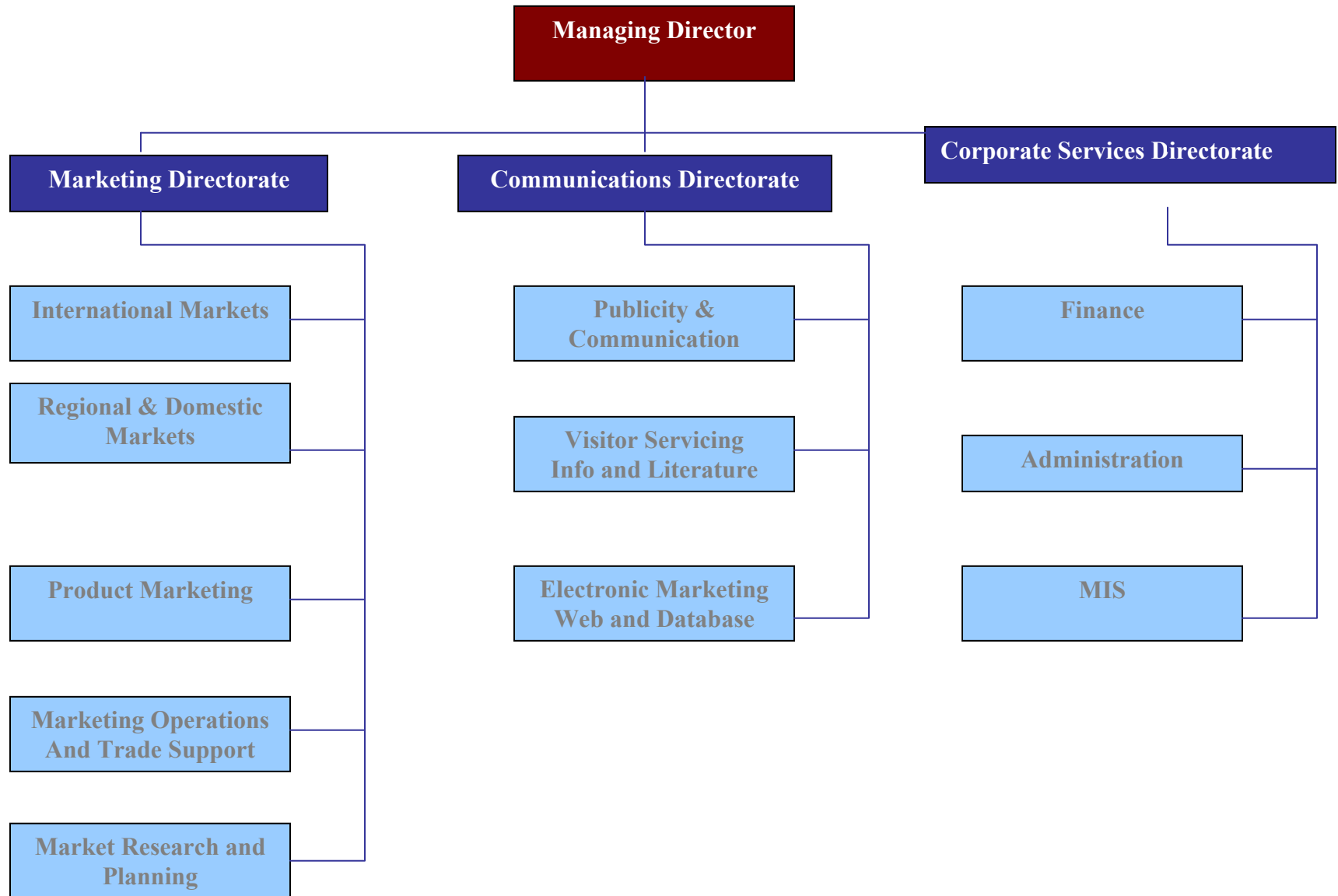
- 5) Audit
- 6) Annual Report
- 7) Purchasing
- 8) Stocktaking

Administration includes: -

- 1) Human Resources
- 2) Secretariat
- 3) Building Services (cleaning, maintenance)
- 4) In House Services (catering etc)
- 5) Library
- 6) Stores
- 7) Transport
- 8) Contracted Services

- **Management Information Systems**

- 1) Network Administration
- 2) Web mastering
- 3) Systems support

PROPOSED ORGANISATIONAL STRUCTURE CHART

In-country Meetings & Presentations

Meeting with Ken Donaldson – Thursday 26th September 2002.

A number of meetings were held with Mr Ken Donaldson during the mission to discuss and agree the job descriptions for the key management staff being proposed for the recommended structure. These posts had been discussed previously with JTB. Using the experience of Ken Donaldson as a consultant and his local knowledge, and the requirements of an upgraded human resource approach as part of the new strategy, the new post outlines were drafted by Ken.

These post descriptions were reviewed by this consultant and further discussed with the JTB (Marwan Khoury). The titles and work content of each management position was agreed and was ready for submission for final approval by the end of the mission.

Meeting with Mr Marwan Khoury – Friday 27th September 2002.

A meeting was held with Marwan Khoury following his return from the IT&ME promotion in Chicago. The purpose was to update him on the status and content of the power point presentation for the JTB board meeting, and to finalise the titles and job content for the management positions in the new structure.

Mr Ibrahim Osta and Lina Omar also attended.

Meeting with HE Taleb Rifa'i – Saturday 28th September 2002.

The meeting was attended by the following: -

HE Taleb Rifa'i Minister for Tourism & Antiquities

Mr Habeeb Habash Assist. Sec. Gen of Ministry

Mr Marwan Khoury - JTB

Mr Jamal Al Jabiri – USAID

Mr Ibrahim Osta - AMIR

Ms Lina Omar -AMIR

Mr Ken Donaldson (SCT)

Mr Matt McNulty (SCT)

The purpose of the meeting was to brief HE the Minister on the structure recommendations, and to give him a preview of the power point presentation prepared for the board meeting.

The principal themes of the presentation were: -

- The structure organises the human resource for maximum effectiveness.
- The JTB is presently ill equipped to carry out its mission. It lacks resources, skills, capacity, and is deficient in areas of key importance like market research, planning, communication and specialisation.
- The JTB is now facing greater challenges and competition and will need to restructure to deliver on its mission.
- A proposal to provide short term support involving the use of a surrogate tourist board, using the services of a group of experienced tourism specialists, who would also provide on the job training for JTB staff.
- The proposed new structure would have three directorates – marketing, communication and corporate services. These three directorates have appropriate functions as outlined in the charts shown in the report.
- The presentation included charts showing positions and also new salary scales, so the JTB could attract staff from the private sector with the necessary skills.
- The presentation concluded by showing a selection of countries and their budgets and staffing. This demonstrated that the JTB, even with a substantial increase in staff would still be small in competitive terms.

HE the Minister thought that the proposals were practical, and he was glad to learn that they brought together all of the studies and research that had taken place in the recent past. He felt that the “surrogate tourist board” was the most practical step to get things moving fast. He proposed that this might begin with two consultants with the necessary high-level experience and that to make sure that they were fully involved he proposed that they become – Director of Marketing and Director of Communication respectively. The group agreed that this would be a major positive move and a discussion followed on how the Ministry, JTB and the donor bodies could co-operate to achieve this.

HE the Minister said also that while he understood the need for what was proposed the fact was that Jordan was limited in terms of budgetary expenditures that could be afforded at present. Matt McNulty explained that Government should approach tourism as an investment from which they are going to receive an immediate return and not as a cost item. HE the Minister asked that the full benefits to Government, and particularly the taxation and other takes, should be calculated, so that everyone could be clear and, therefore, in a better position to support what is needed.

HE the Minister was also anxious to know about the progress on the Strategy and whether it would be ready for the Aqaba Economic Retreat. He was informed that a second draft would be ready for the proposed 6th meeting of the strategy group on September 29th 2002. HE the Minister confirmed that he would like to be in attendance at this meeting and arrangements were agreed to get him a copy of the new draft by email prior to the meeting.

The meeting concluded so that the board meeting could be held, and HE the Minister indicated that he would seek the agreement of the board to provide time for the presentation on structure to be taken.

Meeting with the Board of JTB in session – Saturday 28th September 2002.

The board as the governing authority of JTB are fully involved in the assistance modules that are being provided by AMIR under the BMI program. The major items currently proceeding include – The Tactical Bridge Strategy Plan for 2003, The New Strategy 2004 – 2010, and the report on “The restructuring of the JTB for the 21st Century” that follows from the strategy.

The Consultant presented and spoke to the power point presentation, the slides used are included in the report. The themes were as explained above to HE the Minister – the potential for Jordan was very great, Jordan's products were potentially very good. The current JTB were doing the best they can, but they cannot develop the true potential of the sector because of deficiencies at all levels in resources, skills and capacity. It was strongly recommended that the board should approve the new upgraded approach, and seek the priority for tourism that it deserved. It was well received by the board and will be considered by them for decision in the near future.

Highlights of the Consultancy Assignment

The focus and deliverable from the consultancy was to examine the current structure of the JTB in the context of the demands likely to be placed on it by the new National Tourism Strategy for Jordan and by new operating conditions of the 21st Century. The assignment has completed with an agreed structure that has been recommended to the Board for approval.

Assessment

From the earliest examination it was apparent that the current JTB was an organisation in crisis management mode. The assumed reason for this was the current regional crisis involving Israel and the Palestine, and later the threat caused by the tension between USA and Iraq. In fact, that examination showed that the problem had much deeper roots, and that the geo-political problems had nothing to do with the basis inadequacies.

The fundamental problem arose on two levels: -

1. The establishment of the JTB itself had brought into being an organisation that was not “fit” or equipped for purpose in terms of its staffing, skill range and financial resources. It was always only going to be able to “do the best it could” rather than what needed to be done.

2. The period of growth in visitor numbers further disguised the problems, as the supply side of the industry was completely outstripping the demand side due to inadequate marketing effort to sustain an industry, with the potential to annually and sustainably deliver 10% of Jordan's growing GDP

This fault is quite common in developing economy models, where there is inadequate assessment and knowledge of the economic options, and how to tap their benefits properly. Governments tend to see tourism as a cost, rather than as an earner, tend to think that tourists will come anyway, and do not understand the differences that lead to success in developing the tourism economy.

The conclusion from the assessment was that Jordan is falling well short of achieving the true potential of its tourism economy. That the JTB, as the leading organisation on the marketing side was not resourced, and in any case did not have the information, skills or capacity to undertake the level of integrated marketing campaigns needed to drive success.

The problem with this type of assessment is that of necessity it requires substantial change, both in the resourcing and structuring of the JTB, and in the prioritisation of Government as to its value as an economic option.

There was a further and potentially very damaging overarching problem – the rapid expansion on the supply side, that saw many new hotels being constructed and opened, diluted the viability of all hotels now reduced to operating below viable occupancy rates. There is always the difficulty that this type of problem can lead to the insolvency of the businesses and a crisis of confidence for investors that can seriously damage the whole future of the sector.

Recommendation Overview

The assistance and teamwork of AMIR was vital in understanding that because of the complexity of the problem, it would require a complex solution that would have to proceed simultaneously on a number of fronts before converging later.

These were: -

1. A short term "Tactical Bridge Strategy" that would have the effect of correcting the occupancy level during 2003, and laying the proper foundation for the National Tourism Strategy to kick in from 2004.
2. The restructuring plan for the JTB that would set out what was necessary to equip it for the tasks that needed to be undertaken, and which would anticipate the changes necessary to meet 21st Century competitiveness.

3. The need to plan a series of supports to the JTB that would correct some of the fundamental deficiencies in its tooling – competitive research, market and visitor research, equipment, particularly IT capability.
4. The National Tourism Strategy that would guide the proper development of this important sector, and position it properly in the economic priorities of Government.
5. It was also necessary to give support to all of these by assisting all components – including Government to get a better appreciation for the economic benefits of Tourism and how it can best be developed for economic and social benefit.

All of these were proceeded with, or planned to kick in when it was appropriate. The subject of this report deals only with the recommendations for providing a structure for the JTB that would be match best to the needs that drive growth and success. Because of resource restrictions, it has to be the minimum necessary, rather than a stronger model, but it has the structural strength, that if matched by staff capabilities can carry out the mission.

Structuring Function

The principal function of the structure is to provide for the organisation of the human resource in a way that it can be most effectively deployed to achieve the mission of the organisation.

Structuring Principles

To reflect the special circumstance of the JTB, the following principles were applied to the selection of the structural options: -

- Minimum staffing levels consistent with the ability to carry out the mission.
- Having fewer people, but with higher skills
- Managing work instead of doing work
- Larger teams and fewer teams so as to build teamwork and focus teams on clear group, as well as individual objectives.

Structuring Agreement

The proposed structure has been agreed and endorsed by Marwan Khoury as MD of the JTB. It is understood that it is best deployed in a body with performance structured policies, and with a good performance environment and these points were made to the board also.

NEXT STEPS

1. The board is considering the structure as presented at their board meeting, and the associated resources, and will hopefully approve it and recommend it to Government through the Minister for the necessary approvals and resources. It should be stressed that the challenges facing the tourism sector and the JTB are substantial, and have every possibility of being compounded by the deteriorating geo-political situation. The Board and the Government should, therefore, act with haste to ensure a better state of readiness, and to accelerate work on the close markets as proposed in the plan for 2003.
2. A potential next step that found favour with HE the Minister and JTB, was the recommendation of 3-5 experienced consultants to be placed in the JTB to work with them, and give them the necessary support during the period of change. HE the Minister himself recommended that the practical way to do this, was to make two of them the Director of Marketing and the Director of Communication respectively. I agree that this is a most practical way to give effect to the recommendation, especially as there is no experience of delivering on the methodologies proposed in the short term "Tactical Bridge Plan" for 2003. If this is done for effectiveness, the consultants need local staff that they can work with and train.
3. AMIR consultant Kenneth Donaldson has been working on the post descriptions for the three Directors and eleven Managers. These have been presented as "work in progress" to Marwan Khoury of the JTB for his comments, before being finally agreed as the basis for the work that matches to the structure recommendations and will follow up on a human resource policy, reflected in a manual for operational use and management guidance..
4. There is a clear need for an assessment of the existing JTB staff at all levels so as to determine;
 - Current skill and capacity levels
 - Need for further training
 - Suitability for future placement in the new structure
 - Suitability for work with the JTB

5. The AMIR programme may require to look at the provision of assistance and technical advice during any recruitment process. It is asked by the JTB that they might sit on interview panels and assist with selection.
6. Implementing change is always difficult for any organisation and more so for the JTB as it does not have a strong management structure to plan change and drive it downward in the organisation. Continued assistance and guidance will be needed to the board and managing director.
7. There is a definite and serious need for some in depth training and capacity building. Some of that will happen in the context of the surrogate tourist board, if approved, but in any case the training element should be planned and form a definite pattern if it is to be effective. The JTB is inherently weak as it was a foundation body with no predecessors.

The pioneers had to discover all the tourism techniques for themselves, and they need to be exposed to a high standard of international experience, and to a fuller insight into the directional changes that are taking place in the marketing environment.

8. It will not be clear until the board have considered it, when any practical steps can be taken to implement the recruitment, structuring. The green light has been given for the surrogate tourist board approach. If this is to be adopted, it will need a minimum of four experienced consultants on the ground in the JTB, holding positions and mandated, as proposed by HE the Minister, and continuing supervision and advice at high level to the board and Managing Director. These would best be distributed as follows:-

- Director of Marketing
- Director of Communication
- Manager short term "Tactical Bridge Plan"
- Assistance on the planned tour operator visits for 2003, and on the maintenance of the tour operator network.

HE the Minister has stressed it, and I fully agree, that they must be experienced tourism sector consultants with no learning curve requirements ready and able to do the job.

9. As the AMIR assistance to the JTB continues, all the threads that are now being worked on will converge, and will need to be guided into position and bedded down within the organisation. This will be particularly true during 2003, as there are already the most severe challenges to be met on the short term plan. There are a number of major and vitally important visits planned, and should the current threat materialise a most difficult time would emerge.

It is best, therefore, to bring up the focus on the close markets as proposed, and to ensure that the marketing and communications areas are both working optimally, so that plans are in place to deal with difficult scenarios.

Report Fundamental

The structure plan and its institutionalization is one of a number of AMIR activities directed toward assisting and supporting major change in the organisation, so that it can undertake its mission with much greater effectiveness, and develop the true potential of the tourism economy of Jordan.

The current organisation has only 20 staff or less than 15% of the average staff levels of European NTA's and is only at 10% of most of them. The problems are deepened further as the skills and capacity of many of the staff are not adequate to the demands or importance of the job.

Correcting this is fundamental, so that the JTB cannot only perform its functions, but can also gear itself to benefit from the range of assistance that can be provided through AMIR.